



Media Statement

26 July 2021

Beverage price rise in line with costs of container scheme

The Economic Regulation Authority has found that, on average, beverage prices in Western Australia increased by less than the cost of operating the State's new container deposit scheme over the scheme's first six months.

Containers for Change, Western Australia's container deposit scheme, commenced operation on 1 October 2020.

The State Government asked the Economic Regulation Authority to monitor the scheme's effect on beverage prices over its first year of operation. The [ERA's draft report](#), released today, contains analysis of the first six months of the scheme's operation.

The estimated retail price increases due to the Containers for Change scheme are so far:

- For non-alcoholic beverages, 10.5 cents per container in metropolitan markets.
- For alcoholic beverages, 7.6 cents per container in metropolitan markets.

Overall, regional retail prices also increased by a similar amount, though due to the smaller data set the results were more variable.

The scheme operator, Western Australia Return Recycle Renew Ltd (WARRRL), charges beverage suppliers for the costs it incurs to operate and administer the scheme, as well as the cost of refunding consumers for the containers they return.

ERA Chair Nicky Cusworth said that WARRRL's average weighted scheme price per container was 12.82 cents – meaning that the price increases observed over the first six months were below the total cost of operating the scheme.

"This indicates that Western Australia's beverage retailers and beverage suppliers are not raising prices unreasonably," Ms Cusworth said.

"Consumers can, of course, help to offset any price increases by returning their beverage containers for the 10 cent refund."

Over the first six months of the scheme, 753.6 million eligible containers were sold in Western Australia, while 376.7 million container refunds were paid through refund points and material recovery facilities.

"The total return rate for Containers for Change was 58 per cent for the March 2021 quarter, which is higher than the rate achieved by New South Wales's scheme during its first year," Ms Cusworth said.

The ERA will continue to monitor prices for the rest of the scheme's first year and will publish a final report in early 2022.

For more information: www.erawa.com.au/containerdeposits

About the ERA

The ERA is Western Australia's independent economic regulator. We aim to ensure the delivery of water, electricity, gas and rail services in Western Australia is in the long-term interest of consumers.

The ERA also undertakes inquiries, which provide recommendations to government on economic issues that are likely to have significant implications for the people and businesses of Western Australia.

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